



Stay Calm and Carry On!

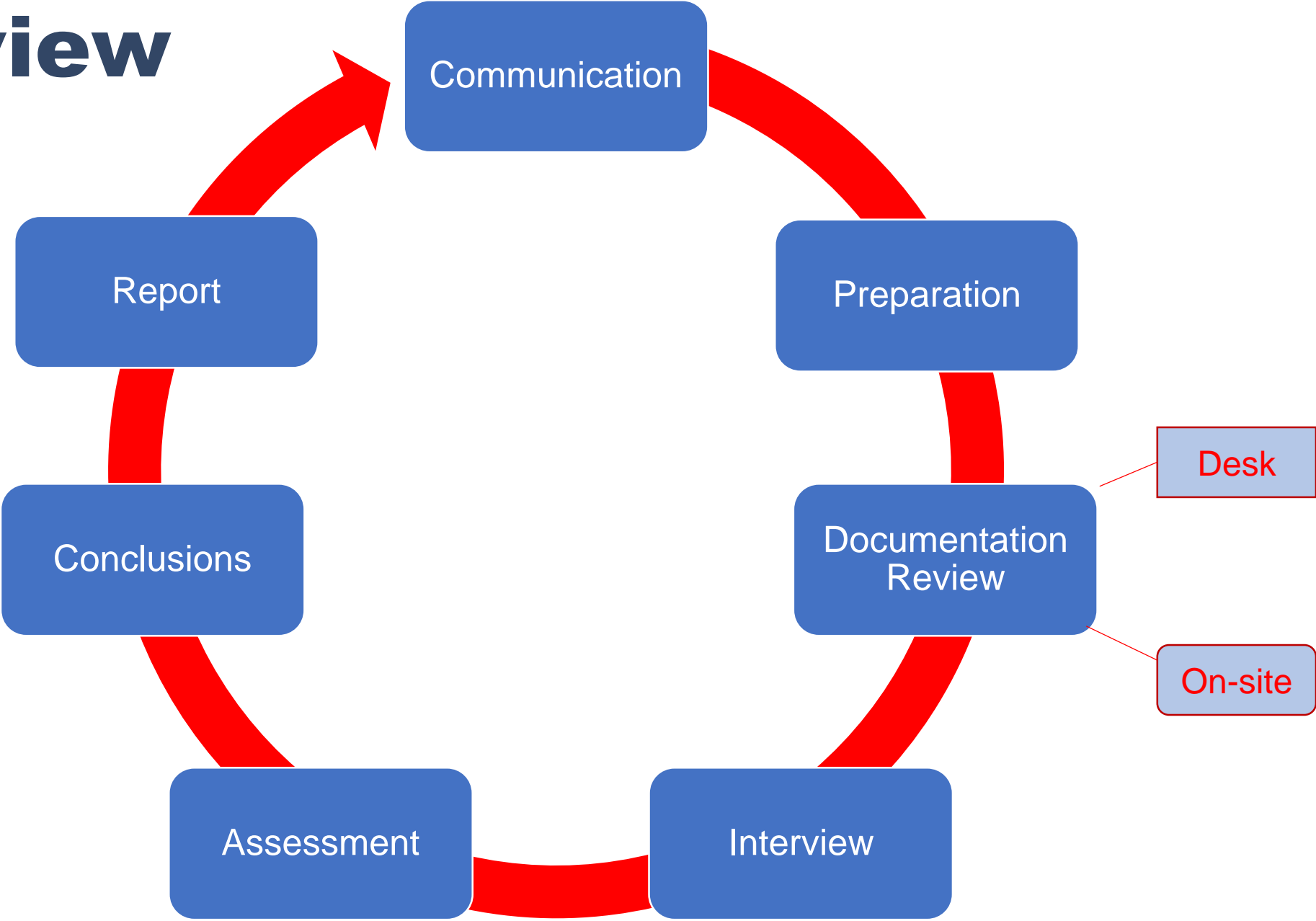
It's Only a Compliance Monitoring Review

PART II

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VIRGINIA SERVICE COMMISSION

Overview



Preparation Steps



Best Practices for Preparation

- Ask questions if notification of planned visit or requested information is unclear.
- Submit requested advance materials by deadline or request extension.
- Be mindful of transmission of PII in documentation request. Request instructions for secure file transfer.



Best Practices for Preparation

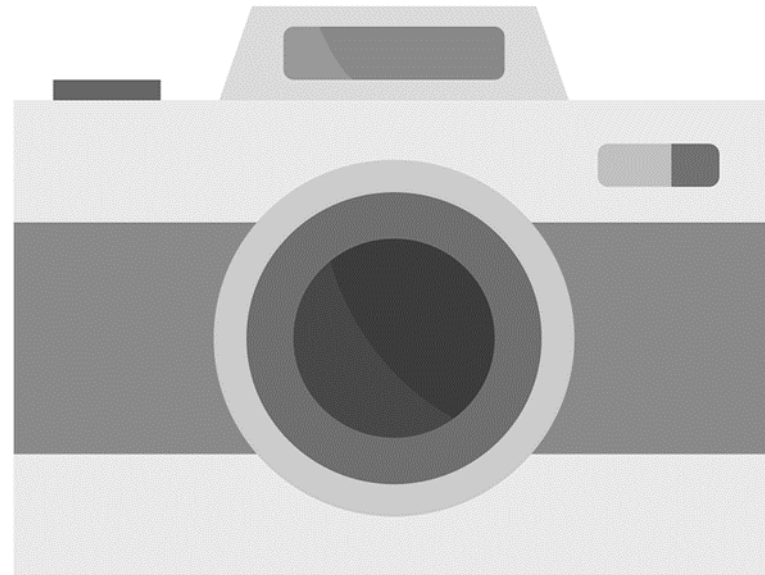
- Ensure all requested records are available on-site; advise VSC in advance if materials will not be available.
- Coordinate logistics internally for space and staff availability during review.
- Liaison with sites and members to communicate involvement in visit, if applicable.
- Stay flexible! We'll be flexible as well.



What are your biggest concerns (or one BIG concern you have) when it comes to your program being monitored?



What should we expect for Programmatic Compliance?



MONITORING TOOL SNAPSHOT



Program Operations and Administration



Organization has on file policies and procedures that align with their program design, member management, and stores documents in a secure location. MSYs are being utilized correctly.

- Specific Program Policies and Procedures documented
- Storage of Member files (record retention, electronic or physical storage secure)
- Program Change Requests
- Participation in required VSC/CNCS Activities



Performance



Performance measurements with associated data are on file, tracked appropriately, and in the process of completion (or completed)

- Performance data is tracked and documented (redacted pre/post tests, surveys, etc. available)
- At time of monitoring, performance measurement reports show progress towards target
- Quarterly reports submitted on time



Partnerships



Partners, Subsite Policies; MOUs; Supervisor Training

- Service sites identified in grant application; executed MOUs as applicable
- Evidence of site supervisor orientation(s)
- Documentation of program adherence to site agreement, training, supervision/support of members
- Prohibited activities posted at all service locations



Branding



The AmeriCorps brand including, but not limited to: gear, website, materials

- Correct use of AmeriCorps logo, name, etc.
- Evidence AC gear is provided
- Evidence program identifies AmeriCorps in public information activities, included on materials (including website)



Member Records

Collecting member documentation; checklist



- Enrollment for each Member exists in portal; start date on contract must match the start date in the eGrants and OnCorps portals
- Member service description exists and states minimum qualifications for service role, essential functions, performance criteria, and length of service term
- Proof of Citizenship OR Proof of Status as a lawful permanent resident alien of the United States
- Evidence members have given consent for use of name, photo, etc. in public information
- Member Service Agreement with position description



- Program has a written policy on conducting background checks of members (including reference checks) and a written procedure for implementing the policy.
- Truescreen checks (NSOPW/State of Service/State of Residence)
- Fieldprint Check (FBI Fingerprint check)
- Government-issued photo IDs match check



Timesheets



Procedures to ensure that member timesheets are reviewed, recorded in a timely fashion and that hours and service activities are accurate.

Record of Member time served is:

- On file
- Signed and dated by both member and supervisor with oversight responsibilities for member
- Indicates service activities that can be tied to program objectives



Common Findings



- NSCHC – Not conducted thoroughly or in a timely manner; documented for both staff and Members
- NSCHC – Does NOT match government issued photo ID
- NSCHC – Results NOT adjudicated by program
- NSCHC – Staff sharing Truescreen/Fieldprint accounts; no clear policy on running checks



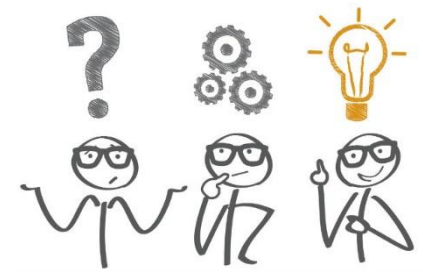
Common Findings cont'd



- Supporting Documentation for Member eligibility
- MSA – Service agreements signed after hours accrued or after start date in eGrants
- Sign in documentation for training/ 'off-site' activities
- Lack of 2 system approval on Timesheets
- No (or missing) program specific policies or procedures



What can I do?



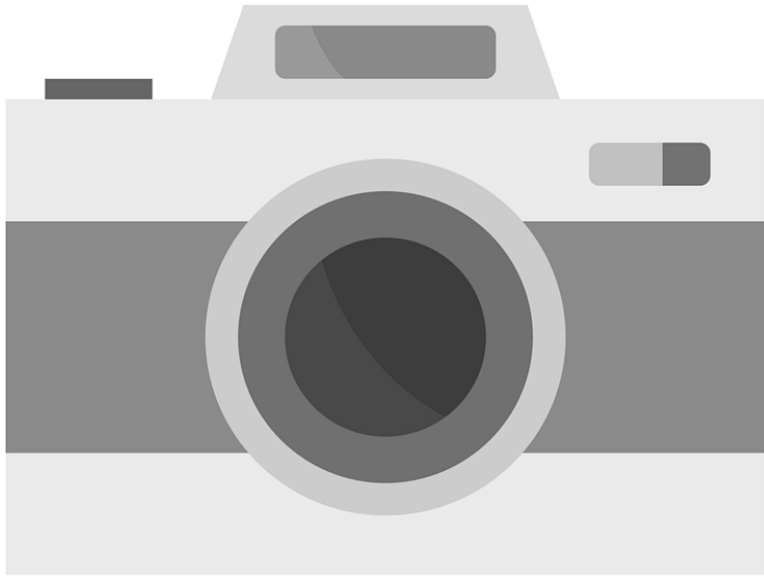
- Work with Commission to understand what policies & procedures your organization requires
- Review government-issued photo IDs when running NSCHC
- Make time to do regular documentation ‘self-checks’
- Self-report if you see/know of an ongoing/upcoming issue; the sooner we can address any issues, the better!
- Ask questions!



What should we expect for Fiscal and Administrative Compliance?



Financial Management System



MONITORING TOOL SNAPSHOT

A. Financial Management System 2 CFR Part 200.302; 45 CFR 2541.200; CNCS General Terms III B.

1. Evidence that the subrecipient has a financial management system that is capable of distinguishing expenditures attributable to the award from those not attributable to the award and demonstrates that costs are consistently treated as either direct or indirect costs.
2. Is fund accounting used to track restricted grants and spending by program year and budget category?
3. Does the subrecipient have a Chart of Accounts that shows how CNCS and non-CNCS revenue and expenditures are coded?
4. Are accounting records up-to-date and monthly financial statements, including grant cash receipts and disbursements, prepared on a timely basis?
5. Are budget versus actual reports prepared on a routine basis and provided to program staff?
6. Are there other methods for monitoring the budget?

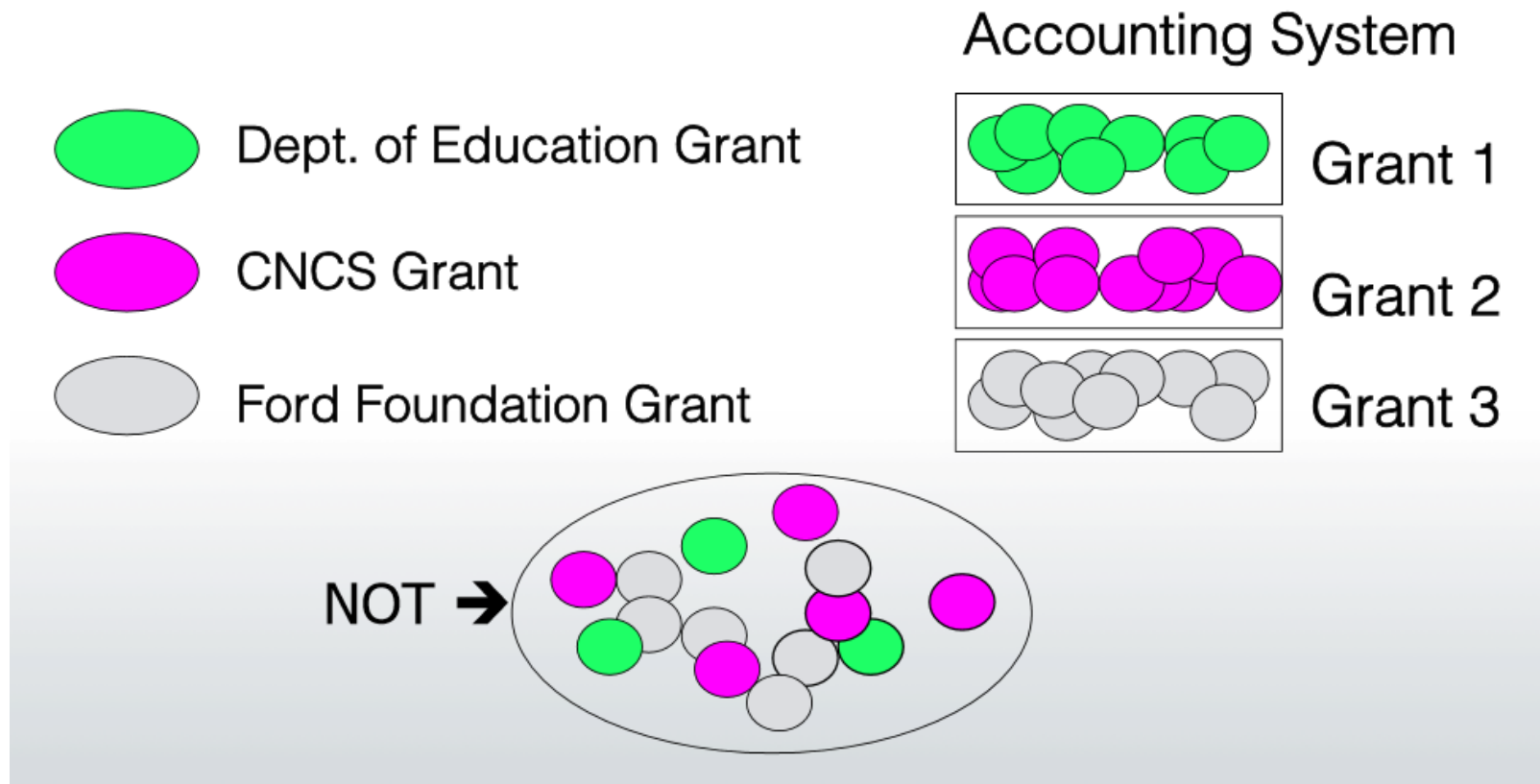
**Does your financial management system
and organizational practices follow the
standards in the Uniform Guidance?**



Financial Management Standards

§200.302 Financial management.

- Distinguish grant versus non-grant related expenses
- Identify costs by program year and budget category
- Differentiate between direct and indirect costs
- Account for each award/grant separately
- Record in-kind contribution as both revenue and expense
- Correlate financial reports submitted to accounting information



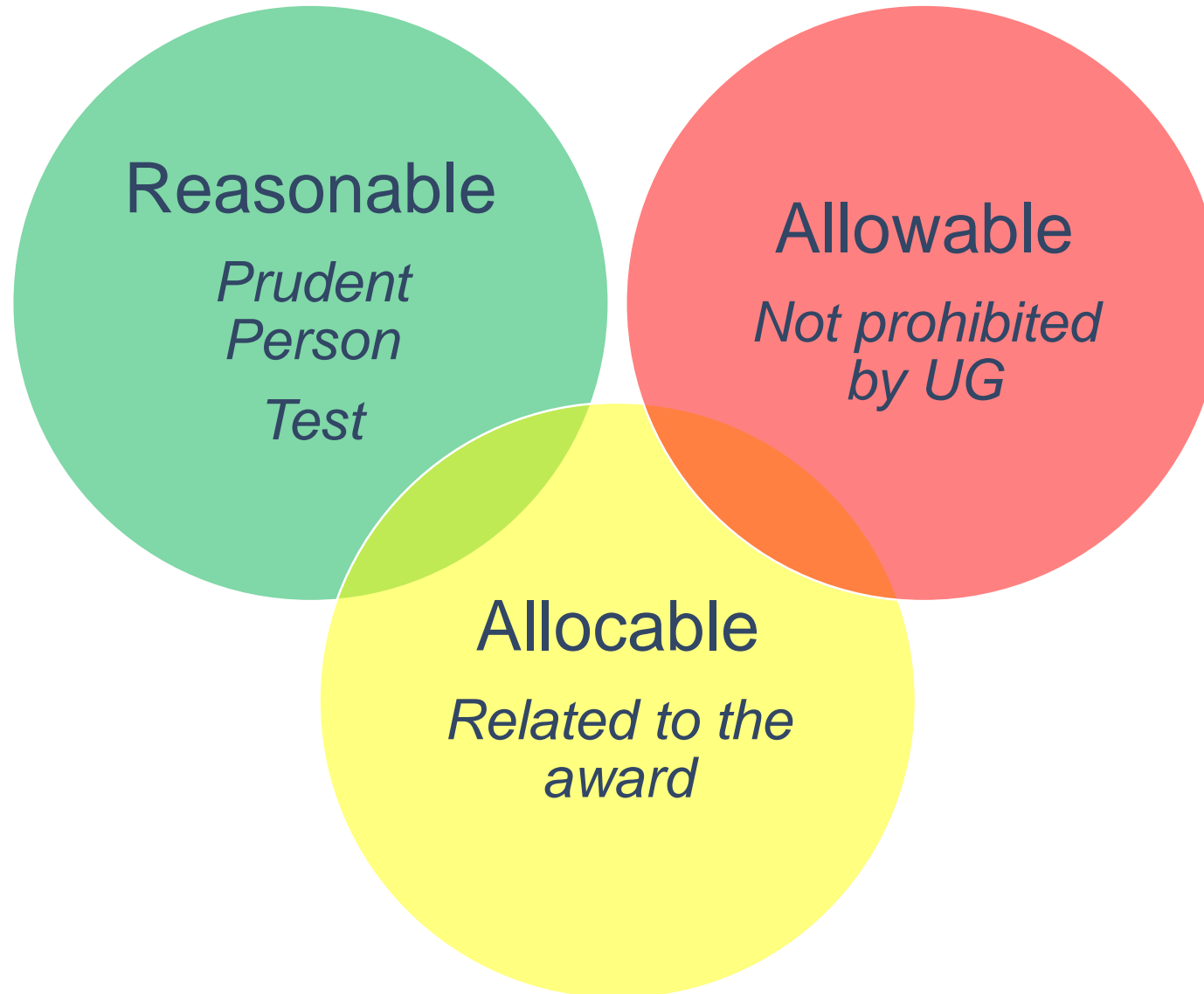
Source: America's Service Commissions

Allowability of Costs

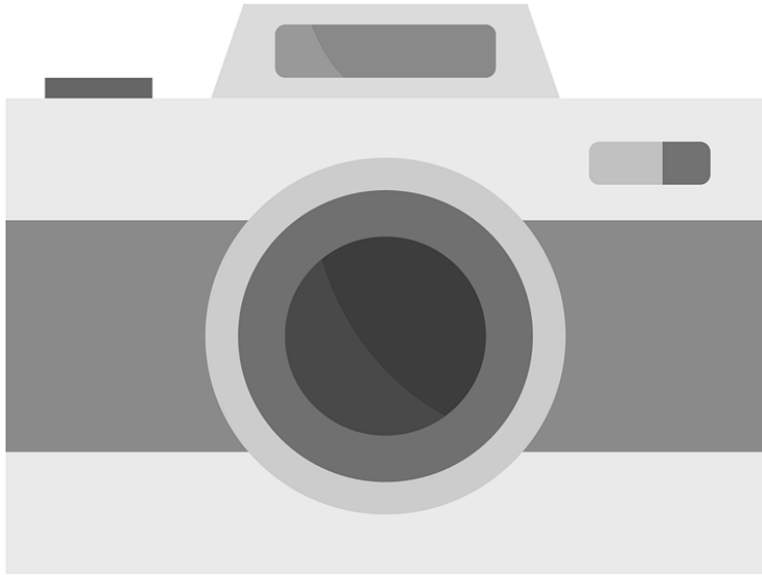
“To be allowable under an award, costs must meet the criteria of 2 CFR § 200.403, which provides that costs must be necessary and reasonable for the performance of the award, must conform to limitations in the award or 2 CFR Part 200 as to types or amounts of cost items, must be consistent with policies and procedures that apply uniformly to both Federally financed and other activities of the recipient, must be adequately documented, and must not be included as a cost or used to meet cost share or matching requirements of any other Federally financed program.....”

[FY 2020 General Grant and Cooperative Agreement Terms and Conditions](#)

Determine if costs charged to your grant are:



Internal Controls



MONITORING TOOL SNAPSHOT

B. Internal Controls 2 CFR Part 200.303; 45 CFR 2541.200

1. Does the Board of Directors approve the annual budget?
2. What are the levels of internal review required for PER submission?
3. Describe the payment authorization process including the distinct roles fulfilled by staff.
4. Is a disbursement voucher prepared for each invoice or request for reimbursement?
5. Are all accompanying receipts and/ or vendor invoices and documentation attached?
6. Does the subrecipient utilize a petty cash fund? If so, what are the requirements?
7. Describe the monthly reconciliation process. Is the staff performing the reconciliation separate from the staff initializing and finalizing transactions?
8. Are reconciling differences, negative balances, and unsupported transactions investigated/ corrected in a timely fashion?
9. Are staff members responsible for grants and contracts familiar with the directives/ related to grants and contracts?
10. Is specific system access restricted and based on need? Are initial access requests to systems and their approval, authorized and documented?
11. Is sensitive information such as PII protected by restricted access, encryption or other controls? (CNCS Specific Terms XVI.)
12. How does the subrecipient protect its financial data from disasters or system failures?
13. Are backups of operating systems, critical data and key software programs made on a routine basis?

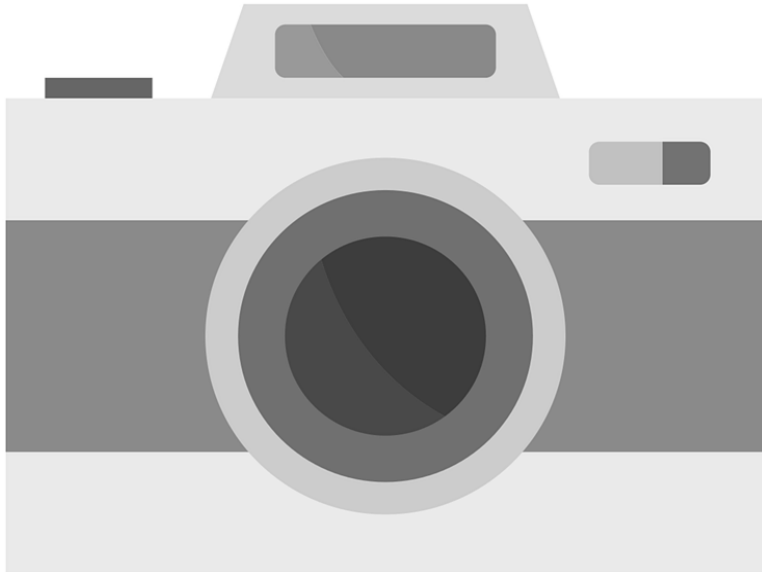
Organizational Policies & Procedures

CATEGORY	EXAMPLES or CONTENT
HUMAN RESOURCES	COMPENSATION; PERFORMANCE REVIEW; POSITION DESCRIPTION; GRIEVANCE
PROCUREMENT	PURCHASING; SMALL PURCHASES; CONTRACTS; EQUIPMENT; DISPOSITION
FINANCIAL MANAGEMENT	CASH MANAGEMENT; SEPARATION OF DUTIES; SIGNATURE AUTHORITY; ACCOUNT RECONCILIATION; REPORTING; AUDIT
TRAVEL	PRE-APPROVAL; ADVANCES; REIMBURSEMENT
CONFLICT OF INTEREST	DISCLOSURE
RECORD RETENTION	SAFEGUARDING; DESTRUCTION SCHEDULE
INFORMATION SECURITY	SYSTEM ACCESS/ TERMINATION; PROTECTING PII

Common Findings & Concerns:

- PER does not reconcile to general ledger
- Lack of written organizational policies and procedures
- Lack of, or inconsistent, time and effort reporting
- Inadequate documentation of costs
- Poor segregation of duties

Grantee Share



MONITORING TOOL SNAPSHOT

I. Grantee Share/ Match 2 CFR Part 200.306; 45 CFR 2541.320

1. Subrecipient match funds expended on behalf of the award are clearly documented in the G/L (45 CFR 2541.240 or 2543)
2. Match contributed is necessary and reasonable for the proper and efficient accomplishment of program objectives.
3. If the Certification of Approval of Use of Federal Funds applies, the agreement is on file per the certification.
4. Evidence match funds were committed by partners or other sources within first quarter of grant.
5. Evidence that in-kind donations, if applicable, are formally committed by donors, are available during the performance period, and include any restrictions on use.
6. If applicable, evidence in-kind donations are valued at fair market value (45 CFR 240 or 2543.23)
7. Clear documentation of in-kind donations which includes use, method of valuation, and tracking in the financial system or equivalent tracking. (45 CFR 2541.240.2 or 2543.23)

Grantee Share, or Match

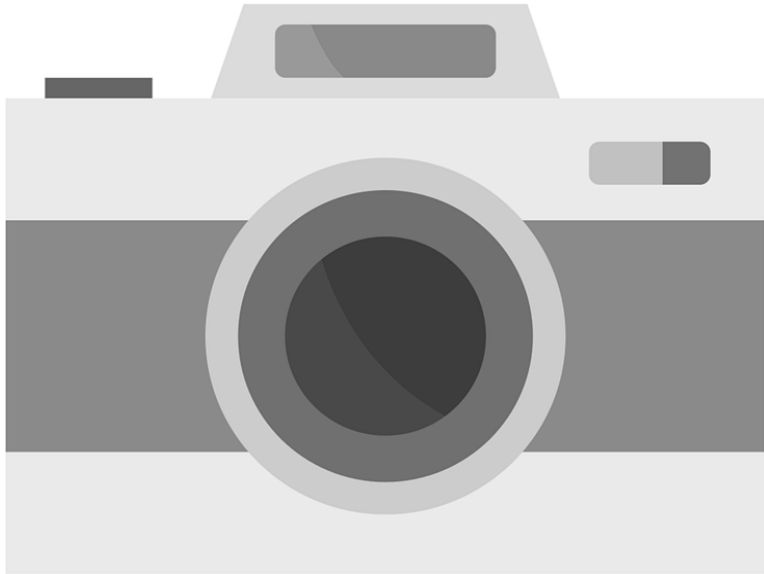
Charges for Grantee Share must meet this same criteria in order to be eligible



Common Findings & Concerns:

- Match items were not in the approved budget
- Match included periods outside of the grant budget period
- Match funds not recorded in accounting records
- Match claimed was not necessary to operate the grant
- Value of third party in-kind contributions unsubstantiated
- Insufficient documentation to support match was allowable and allocable

Personnel



MONITORING TOOL SNAPSHOT

F. Personnel/ Time and Effort Reporting 2 CFR Part 200.430

1. Evidence of a system to tie time and effort to corresponding payroll records.
2. Are timesheets signed by staff and approved by the supervisor required documenting employee hours, overtime and activities?



Salary/ Wages & Fringe

Time & Effort Reporting

- Timesheets that align with the payroll period and provide information on all activities of the employee
- Time and effort reports showing allocation to the program
- After the fact determination of how time was spent
- Account for the total of each day's activity
- Signed by employee and supervisor

Common Issues:

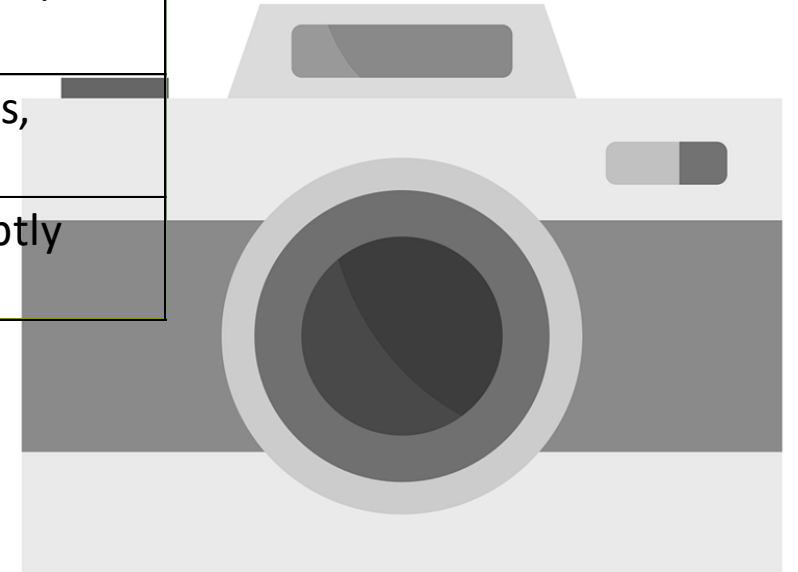
- Inadequate documentation to support charges to the grant
- Position not approved in budget or % allocation discrepancy
- Ambiguous position description
- Incorrect allocation methods:
 - Based on the budget
 - Based on estimates
 - Includes non-AmeriCorps duties
- Unsigned timesheets
- Inconsistent timekeeping

Personnel

ABC Non-profit								BI-WEEKLY TIME SHEET																																																																																																																																																																																																							
Employee Name:								Pay Period: 6/21/2012 to 7/4/2012																																																																																																																																																																																																							
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Activities charged to federal grants must be Allowable, Reasonable, and Allocable.								Must be maintained for all staff whose compensation is wholly or partially charged to award, whether paid by matching funds or federal funds.																																																																																																																																																																																																							
Record time daily and round to the nearest 15 minutes, or .25 hours.								Must be prepared at least monthly and coincide with at least one pay period.																																																																																																																																																																																																							
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Must reflect actual after-the-fact, not budgeted, hours.																																																																																																																																																																																																															
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Supervisor's Signature								Date																																																																																																																																																																																																							

E. Member Support Costs CNCS Specific Terms V. and VIII.

1. During the program year, did the subrecipient conduct a change in member positions that prompted a change in the budget? If the circumstances warranted, did the organization seek and receive prior approval from CNCS and or the Commission?
2. Evidence that payment of living allowances is consistent with the Member Agreement and does not fluctuate based on hours of service.
3. Separate documentation of Members' service hours if 40 hour/week time sheet required for payroll
4. Evidence filings with regard to federal and state income tax withholdings and taxes, including FICA, are made in accordance with federal and state requirements.
5. Evidence that payments for coverage of FT members' health insurance are promptly made and coverage consistent with the Member Agreement.



MONITORING TOOL SNAPSHOT

Living Allowances

- Do disbursements comply with CNCS guidance? Terms and Conditions, FAQs, Commission guidance and policies?
- Frequent living allowance concerns:
 - Timesheets not submitted/approved to substantiate payment of living allowance
 - Lump sum payments to catch up or to finish early
 - Amount budgeted doesn't match disbursement in payroll report

✓ **Self-Check**

Overall, is/ does your documentation.....

- ☐ Leave no question as to whether or not the criteria of reasonable, allowable and allocable were met?
- ☐ Accurate and complete?
- ☐ Follow your own policy and procedures including approvals?
- ☐ Retained based on the written record retention policy?

Understanding your Monitoring Report

Levels of Outcome

- **Best Practice:** An organizational accomplishment or efficiency demonstrating compliance that can be replicated and applied by other subgrantees
- **Concern:** A deficiency in program performance not based on statutory, regulatory, or program requirements, where corrective actions are recommended.
- **Finding:** A deficiency in program performance based on material noncompliance with a statutory, regulatory, or program requirement for which a corrective action, sanction and/or cost disallowance is required



After the visit.....

- Timelines
- Follow-up. If additional documentation or materials can be provided in response to a review item, contact VSC for instructions on submission.
- Submit responses to corrective action plan by deadlines or request extension.



Session Wrap-Up

Thank You!

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